

LEASE GUIDE



Serviced Business Parks

Industrial | Storage | Office

inospace

www.inospace.com

Your handy guide to leasing at inospace

We've written this guide to help you navigate leasing a unit in one of our serviced business parks, from finding a suitable space all the way through to moving in. You can use this guide to help you with all the legal, financial and practical issues which may need to be considered when signing a lease. Ensuring you end up with the right space for your business is not just about the size, location or rental rate.



Finding the right space

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Living with your lease

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Getting your lease in place

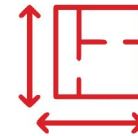
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Industrial



1

Finding the right space



How much space do I need?

Many businesses take more space than they need because they don't plan properly. They lay out spaces poorly and think about layouts retrospectively. inospace has a host of free areas and services, so decide if it's more efficient and cost effective to use shared meeting rooms, bathrooms and kitchens instead of installing and/or renting your own.



How long do I need it for?

There is no question that your business is likely to change over time, so you need to think about how long you can commit to a unit. Longer lease commitments may result in lower rentals, so think about what the maximum time you can commit to if you want to get the best deal.



What type of space do I need?

Spaces can vary in height and shape and different factors can attract higher or lower rentals. For example, if your business needs storage, you may not need industrial facilities with electricity services. Rather look out for high roofs or enquire about a separate storage container or storage room available in the park.



Do I need anything out of the ordinary?

Some businesses do have specific requirements like additional floor loading or extra power capacity for heavy machinery. Make sure you share these details upfront with your inospace Business Development Manager so that you don't waste time and only view relevant spaces.



What sort of access do I need?

It's important to consider things like how many access points you'll need, where you are going to park your cars and where will you unload deliveries. You should also think about access to transport routes and main highways to ensure your business can run efficiently.



When do I need to move in?

Some Business Parks are available immediately, but others may need work done first and some may need to be built to your specifications. Plan in advance and make sure you notify your Business Development Manager of your timelines. Allow plenty of time for sorting out the legal documentation and securing any necessary consents. If you leave everything too late, you will find yourself in a worse position.



How secure is it?

Make sure to take note of security measures in place. inospace is committed to maintaining an environment in all our parks where our clients and their staff feel totally safe at all times - day and night. Besides the friendly guards on duty 24/7, you'll find a number of other safety features from electric fencing to closed-circuit cameras.

Storage



Office



What can I afford?

**It's important
to calculate
the true cost
of your unit
before you
sign a lease**

In addition to the rent, there are several other costs you should consider, including:



Service charge

Where properties have common areas or facilities such as meeting rooms, reception areas or wi-fi, which are to the benefit of all tenants, it is common for landlords to charge a percentage as a contribution towards their upkeep and maintenance. At inospace we don't do this, your rental is all inclusive and you get a host of services included in the rent.



Repairs and maintenance

You will be liable for internal repairs and maintenance of your space during the term of your lease. Make sure you understand what you will be liable for to avoid unexpected costs.



Municipal rates and taxes

We include these costs in the rental for all micro industrial and office units, as well as storage units. For larger spaces the lease may ask for a proportionate share and/or an annual municipal increase.



Insurance

Many traditional landlords ask for a contribution but we insure the building and public areas at our own cost. You will need to take out your own insurance policies to cover things such as contents and public liability.



Electricity, water and sewage

Most of our units will have their own electricity meters and you can manage your own requirements on a "pay-as-you-go" basis. Water is charged to each unit as per your consumption. This is calculated off a meter reading or proportionate share. If you don't have water in your unit, you won't be charged for it.



Lease administration fee

We charge a nominal once-off lease preparation fee between R950 and R2500 depending on the size of your unit, to cover administration and legal fees. Don't forget that this will be charged with your first month's rent.



Reinstatement

At the end of your lease you are required to return the unit in the same condition as when you moved in. Please budget for this if you are not going to maintain the unit in a good condition or if you are going to make alterations during your lease.



Deposit

Most leases require a deposit equivalent to 2-3 month's rent. At inospace we require a deposit equivalent to 2 month's rental paid with your offer to lease.

Draw up a shortlist and find a deal that works for you

A healthy shortlist will help you find the best space at the right price. The key steps are:



View some properties

It's important to see a few different properties to get some perspective on what is available. It will also give you an opportunity to quiz our Business Development Managers on some of the finer details and get a feel for what it's like to be one of our clients. Take lots of photos to help remember the important things like what services are available, or for future space planning and fit-out.



Take note while visiting the park

It's always a good idea to take a look around the park while viewing your unit as this gives you a good idea about how the park is looked after and maintained. If you see other tenants while there, have a chat to them and check that they are happy.



Ask the right questions

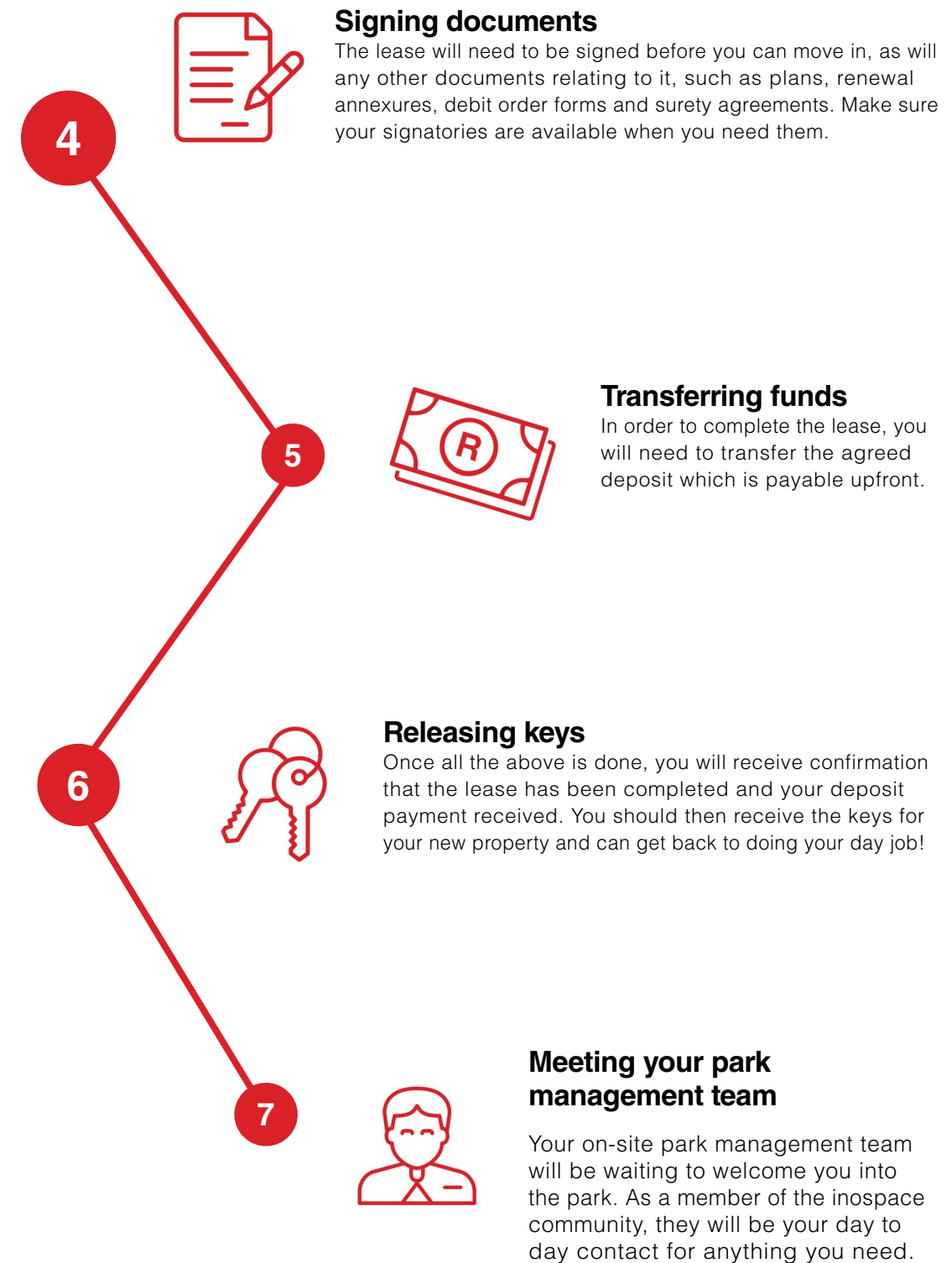
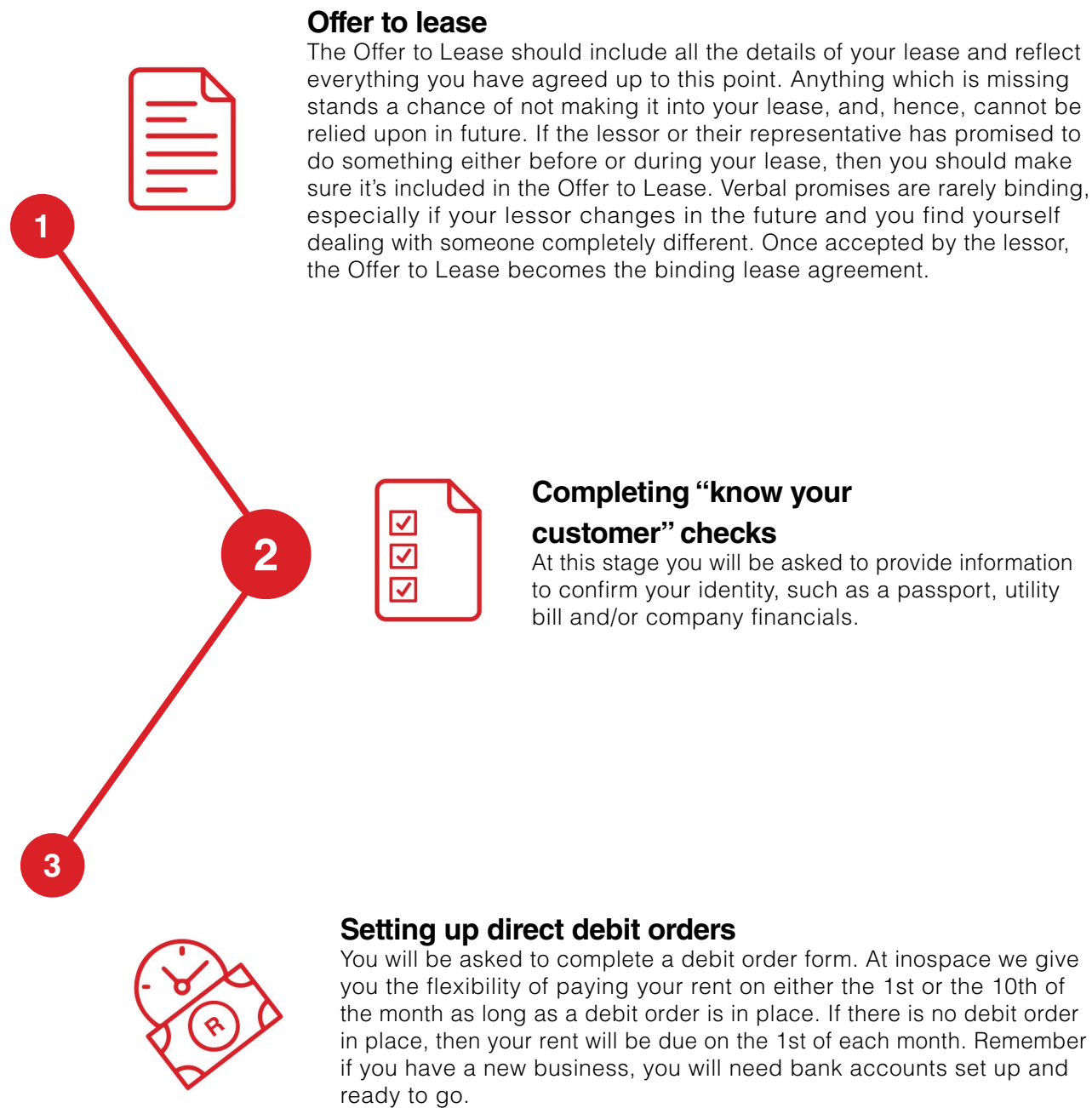
There are variables which you will need to agree to as part of a lease.



Get a quote

There is often a difference between the rental amount and the deal that can be struck. Ask for a quote you can consider, and make sure it covers all the key cost areas.

Getting your lease in place



**Once you
are in your
new space
you can now
focus on
running your
business**

3

Living with your lease

The law allows for the right to 'quiet enjoyment', meaning that we need to leave our clients alone. However, you will still have some admin to sort and some decisions to make. The following list covers some of the key ones to consider:

What am I responsible for?

You are responsible for internal repairs and maintenance of your unit. This excludes any external scheduled maintenance and repairs which inospace is responsible for. You will be responsible for sourcing your own contents insurance, public liability insurance and other regulatory requirements like health & safety certification.

What do I do when I want to leave?

At inospace we encourage you to come and chat to us should your business needs or situation change at any time. However, should you need to end your lease you will need to exercise a break clause or wait to leave upon lease expiry. Exercising a break clause usually requires serving notice to the landlord in a certain time frame and may be subject to several conditions, so plan this well in advance. If you leave at the end of your lease it is not usual to need to give notice, but is a polite and practical thing to do. Before you leave you need to restore your unit to the same way it was received.

What if I can't pay my rent?

From time to time businesses can have cash flow problems. It is always best to speak to your Park Manager in advance if you are concerned that you will not be able to make a payment. If you do not pay your rent, you are at risk of having your lease terminated and being evicted. You will also be liable for the penalties and interest charges. At inospace, we would rather you come and chat to us about your situation as soon as possible, so that we can discuss the options available, which could potentially help ease your situation.

What if I need more or less space?

We encourage our inospace clients to come and chat to us as soon as possible should your business needs change so that we can discuss the options available.

If your business is growing and needs more space, that's no problem. If we have something suitable, we'll be happy to look at making a plan for upsizing your space. The terms would need to be discussed as and when the need arises.

If you need to move to a different part of town, or a different kind of space, we understand that this can happen. We'll be happy to discuss the options and terms for moving to an alternative space in one of our parks.

Frequently asked questions



1

Lease Period

How can I renew my lease after it has ended?

In order to renew your lease you can contact one of your on-site park management team and they will help you to arrange the details. Please contact us 60 days before your lease ends to discuss renewal.

Does the lease include any break options?

We do offer shorter or more flexible terms for leases should this be required. Chat to your Business Development Manager about the options available.

What is the notice period to terminate the lease?

We do not offer a notice period to terminate your lease but include a break clause for smaller units. For larger units there is an option to negotiate a break clause as part of your lease.

When do I get my deposit back?

Your unit needs to be returned in the same condition as it was received. Once you have vacated the premises we conduct an inspection of the unit and once we are satisfied that everything is in order and your account is in good standing, the deposit will be returned.

2

Lease Flexibility

Do you offer short term leases?

Our standard leases are from 2 years but we are happy to chat about shorter and more flexible terms.

What happens if I outgrow my space?

If your business is growing and needs more space, that's no problem. If we have something suitable, we'll be happy to look at making a plan for upsizing your space.

What happens if my business needs to move?

If you need to move to a different part of town, or a different kind of space, we understand that this can happen. And we'll be happy to discuss options for an alternative space in one of our parks.

Can I buy my unit?

If your unit is for sale, we would be happy to chat to you about buying your unit at a preferential rate.

3

Security

Is there 24/7 security?

Yes, all our parks have 24/7 security in place. Our security guards are trained to ensure our parks are fully secure at all times.

What is Red Box Security?

The signature Red Box guard houses at the entrance to all our parks are a symbol of our safety-first ethos. We're committed to creating and maintaining an environment in all our parks where our clients, their staff and visitors feel totally safe at all times - day and night.

Payments

When is my rent due each month?

You can choose to pay on either the 1st or the 10th of the month as long as a debit order is in place. If there is no debit order in place, then your rent will be due on the 1st of each month.

How often do I pay my rent and will it increase in future?

Your rent must be paid every month on the agreed date and will increase every 12 months. The escalation percentage is agreed to, upfront, in your lease.

What happens if I pay my rent late?

Your rental should be paid monthly via a debit order, which gives you peace of mind that it won't be paid late. If for any reason your rent is late there is a penalty fee of 10% of the value of your rent plus interest fees (calculated at prime interest rate).

How does a debit order work if I have to pay recoverables every month?

If your debit order includes recoverables that can fluctuate month to month, you can set a limit to your debit order. As an example you can set your debit order limit at no more than 20% above your rental cost.

Am I liable for agent's commission?

No. Any commission payable is covered by inospace.



You can choose
to pay on either the
1st or the 10th.

Parking & Yards

Can I store things outside my unit?

You are not allowed to store anything outside of your unit unless you are allocated yard space as part of your lease. We have StoreBox containers in many of our business parks that are available for rent should you need additional storage.

Do I have designated parking?

Parking bays will be assigned to your unit as part of your lease. Remember to speak to your Business Development Manager about this.

Do I have designated yard space?

Yard space is only available to you if it has been agreed to upfront as part of your lease. If you require additional yard space at a later date, please speak to your Park Manager to discuss options and terms.

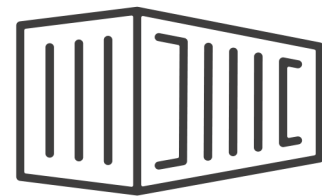
Signage

Will there be some form of a sign or client list of the companies occupying the park for outside identification?

We do our best to ensure that all our parks have a park directory for outside identification.

Will there be a sign on my unit/door, if not is this allowed?

We allow space for client signage for all units. We also provide unit numbering in the park. It is important that you adhere to the signage guidelines for the individual parks. Client signage can also be agreed to as part of your lease.



We offer a
range of flexible
storage solutions.

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Additional Costs

Who pays for utilities and waste disposal?

For the majority of our clients, these costs may be included in your monthly rental and not as an additional fee. However, depending on the size of your unit and your business requirements (e.g. food manufacturing) you could be charged a fee in your lease agreement.

What exclusions are there that we are not aware of that might be charged?

You might be charged CID (City Improvement District) levies and municipal rates depending on the area of the building. Some buildings fall within an area that has special improvement criteria and therefore these costs are billed to you. The cost will be in-line with the size of your unit and your rental.

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Electricity & Water

How is the electricity rate calculated?

Is there a meter in the office?

Most of our units will have their own electricity meters and you can manage your own requirements on a “pay-as-you-go” basis. If for any reason your unit doesn’t have a separate meter (for high power users) your rate is calculated from the sub-meter linked to your unit.

How is my water charge calculated?

Water is charged to each unit as per your consumption. This is calculated off a meter reading or proportionate share. If you don’t have water in your unit, you won’t be charged for it.

Do you have 3-phase power?

This is unit specific. Majority of units are fitted with 3-phase power which is either controlled via a pre-paid meter or a smart meter. Should you require 3-phase power please speak to your Business Development Manager upfront, so they are aware of your needs.

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Storage

Are there any storage units available in the park should we want to store stock?

We offer a range of flexible storage solutions including self-storage StoreBox containers, traditional store rooms and bigger store spaces for business storage. Please ask your Business Development Manager or the Park Manager what is available at any specific park.

Can I access my storage unit after hours if required?

Our parks are fully secured 24/7 and you are able to access your storage unit as required.

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Office Furniture

Are the units furnished?

None of our units include furniture. It is up to each client to furnish their unit as they see fit.

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Broadband, Wi-Fi & Telephony

How do the telephone and Wi-Fi/fibre systems work in the park?

All locations that have access to fibre have been fully wired and are ready for you to connect from the day you move in. In areas where there is no fibre available, all the tech is already in place for you to activate when it becomes available. Our business hubs are fully kitted and include free Wi-Fi.

We do not supply telephones in any of our units. It is up to each tenant to arrange their own telephone. Our reception area does not run a switchboard at the park and there is no VOIP system installed in the parks.

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Repairs & Maintenance

Am I liable for external repairs and maintenance?

No, all external repairs and overall park maintenance are covered by inospace.

In what condition will I need to return the property at the end of the lease?

You will need to return the space in the exact same way as you received it. We suggest taking pictures before you move in so you have a reference on file.

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Referral Scheme

Do I get a commission for referring a new client to inospace?

If you refer a new client to inospace you will be rewarded with 10% of their first month's rental (up to R10 000). In order to qualify for this make sure they mention your name when enquiring about the space. We also suggest that you send the name of the prospective client to your Park Manager.

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Other inospace Parks

Can I work from other inospace parks?

As an inospace client you automatically have free access to any inospace business hub in the network. You can book your satellite office space by contacting the relevant Park Manager or Community Manager and they'll make you feel at home wherever you are.



Our business hubs
are fully kitted
and include free Wi-Fi.



Each inospace
park has a dedicated
Park Manager.

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Park Management

Is there a manned reception?

All our parks have a manned reception run by a Community Manager, for your convenience.

What does the Community Manager do?

Our Community Managers are there to welcome your guests, provide information and interact with couriers and delivery people. They are part of the Park Manager's team to assist with looking after clients and the overall maintenance of the park.

What does the Park Manager do?

Each inospace park has a dedicated Park Manager who is your first port of call for all enquiries, requests, planning and maintenance issues. The Park Managers and their teams are there to ensure everything runs smoothly and optimally.

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The Business Hub

Can we use the meeting rooms and seating areas for free?

All meeting rooms need to be booked through the Park Manager or Community Manager on site. There is no fee for using the meetings rooms.

Can I make use of the kitchen in the business hub?

Yes the kitchen is there for our clients to use and enjoy. All kitchens have been equipped for your convenience. We ask you to treat this area with respect and ensure you clean up after yourself.

Are there bathrooms in my unit?

All smaller units will make use of the bathrooms provided throughout the parks. Some bigger units will have their own bathrooms in the individual units. We also employ a cleaning service to ensure the common area bathrooms remain clean and hygienic.

Can I have access to the business hub after hours?

Access to the business hub can be arranged through your Park Manager.

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Moving In

When can I move in?

You can move into the park once your deposit has been paid and in-line with the agreed move in date.

